

## The complaint

Mr S complains that Revolut Ltd ('Revolut') hasn't refunded the loss he suffered after he fell victim to two investment scams.

## What happened

The circumstances of the complaint are well-known to both parties, so I don't intend to set these out in detail here. However, I'll provide a brief summary of what's happened.

Around April 2023, Mr S says he saw an advert in a national newspaper about trading using artificial intelligence ('AI'). Mr S says he researched the company and found no negative information. He visited the company's website, which looked professional and genuine and so he decided to fill out an enquiry form. Following this, Mr S was contacted by someone called "Tommy" who said they worked for a company which I'll call 'Company C'.

Tommy persuaded Mr S to make an initial investment with Company C of around £200 to £250, which he paid over the phone using a debit card for an account with another of his banking providers. Mr S regularly spoke to Tommy using an instant messaging service and through phone calls. Between 1 May 2023 and 18 May 2023, Mr S thought his investment had gradually increased by \$86.89, representing a profit of 31.7% in just a few weeks.

Pleased with how his initial investment had performed, Mr S was persuaded to invest a further £4,000 from his Revolut account on 30 May 2023. Over the next two weeks, Mr S was able to make two successful withdrawals from Company C, totalling £1,141.76. Mr S subsequently invested a further £2,500 with Company C from his Revolut account on 19 June 2023.

Tommy then began reporting significant increases in the profit Mr S was making. This encouraged Mr S to increase his investment on 23 June 2023. He borrowed £22,500 from a family member and sent this to Company C, via three payments from his Revolut account. Shortly afterwards, Mr S was able to make a third withdrawal – this time for £2,279.96.

Tommy then persuaded Mr S to make a further investment on 5 July 2023. He borrowed £25,000 from a different family member. Mr S invested £14,000 with Company C from his Revolut account and transferred the remaining £11,000 to his wife.

Mr S made two more successful withdrawals from Company C, totalling £3,739.12. After which, Tommy advised Mr S that some unsuccessful trades had resulted in his investment capital being lost. He was asked to invest further funds to recover his loss, at which point Mr S had some concerns that he'd been scammed and ceased communicating with Tommy and Company C.

In total, Mr S sent £43,000 to Company C from his Revolut account. He did this by sending the funds to a digital wallet Tommy helped him to create with a cryptocurrency exchange – which I'll refer to as 'L'. He then converted the funds into cryptocurrency and sent these to Company C.

Mr S received back a total of £7,160.84 from Company C as returns, leaving an outstanding loss of £35,839.16.

In mid-July 2023, Mr S began communicating with another company – which I'll refer to as 'Company I'), represented by an individual who called himself "*Sammy*" – about an investment opportunity in cryptocurrency.

Between 13 July 2023 and 19 July 2023, Mr S made seven debit card payments, totalling £22,077.93 (inclusive of some transaction fees), to his own digital wallet with another cryptocurrency exchange – which I'll refer to as 'B'. His funds were converted into cryptocurrency, which he subsequently sent to Company I. £19,000 of the investment was funded through a personal loan Mr S took out with another bank – which I'll refer to as 'H'.

Mr S received no returns from Company I. However, three of the payments and the fees associated with them were subsequently refunded by B, leaving an outstanding loss from the second scam of £14,800.

On 24 July 2023, Mr S contacted Revolut – via the in-app chat – and said he had sent funds to his digital wallet with B, which had been stolen after his account with B was hacked. Revolut asked Mr S some questions about this, but he didn't respond.

On 18 October 2023, Mr S raised a complaint with Revolut – via a professional representative – about the payments he'd made regarding the scams orchestrated by Tommy (Company C) and Sammy (Company I). Revolut tried to recover the funds Mr S had sent to L because of the first scam. Unfortunately, the beneficiary firm didn't respond. Revolut did raise chargebacks regarding the debit card payments to Mr S's own digital wallet with B and three of the seven payments were refunded.

Revolut refused to reimburse Mr S's outstanding loss of £50,639.16 because it said he hadn't provided satisfactory evidence of the scam to allow it to investigate properly.

Unhappy with Revolut's response, Mr S referred his complaint to this service. In its submission, Revolut reiterated its decision that it wasn't responsible for refunding Mr S's loss because he hadn't provided sufficient evidence for Revolut to investigate his scam claim.

Revolut also said:

- it showed Mr S a scam warning when he made the first payment to L;
- Mr S hadn't carried out adequate due diligence *before* investing with either scammer;
- the payments to B had been approved in the Revolut mobile app;
- the payments to B had gone to an account in Mr S's own name and control and it was only once he sent cryptocurrency to a third party that he suffered a loss;
- it had no reasonable prospects of successfully pursuing the defended chargebacks;
- it had met its various contractual and regulatory obligations by processing Mr S's payments in accordance with his instructions; and
- it wasn't under a duty to detect and prevent Mr S from fraud (relying on a recent Supreme Court judgement).

Our Investigator upheld the complaint in part. They didn't think the first two scam payments made from Mr S's Revolut account could've reasonably been prevented. So, they didn't think Revolut needed to reimburse those.

However, our Investigator said Revolut should've questioned Mr S about the third scam payment, which was for £11,000 on 23 June 2023. If Revolut had questioned Mr S about the payment, our Investigator was persuaded the scam would've been identified, the payment wouldn't have been made and the subsequent loss (from both scams) wouldn't have occurred.

Our Investigator considered that Mr S had been contributorily negligent and thought he should share equal responsibility for his loss from the third scam payment onwards. Our Investigator recommended that Revolut should reimburse 50% of Mr S's loss from 23 June 2023, less the returns received after that date and the successful chargebacks, plus interest.

Mr S accepted our Investigator's opinion, but Revolut didn't agree. Revolut said:

- the payments had gone to Mr S's own digital wallets with L and B, before being sent to the scammer and therefore the point of loss wasn't when the funds left Revolut; and
- other regulated firms, who failed to prevent the funds being sent to Revolut, might be accountable for Mr S's loss.

As an agreement couldn't be reached, the complaint has been passed to me to decide.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

And, as the Supreme Court has recently reiterated in *Philipp v Barclays Bank UK PLC*, subject to some limited exceptions banks have a contractual duty to make payments in compliance with the customer's instructions.

In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks to their customers when making payments. Among other things, it said, in summary:

- The starting position is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, it must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.

- At paragraph 114 of the judgment the court noted that express terms of the current account contract may modify or alter that position. In *Philipp*, the contract permitted Barclays not to follow its consumer's instructions where it reasonably believed the payment instruction was the result of APP fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a legal duty to do so.

In this case, the terms of Revolut's contract with Mr S modified the starting position described in *Philipp*, by expressly requiring Revolut to refuse or delay a payment "*if legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks*".

So Revolut was required by the implied terms of its contract with Mr S and the Payment Services Regulations to carry out their instructions promptly, except in the circumstances set out in its contract, which included where regulatory requirements meant it needed to carry out further checks.

Whether or not Revolut was required to refuse or delay a payment for one of the reasons set out in its contract, the basic implied requirement to carry out an instruction promptly did not in any event mean Revolut was required to carry out the payments immediately<sup>1</sup>. Revolut could comply with the requirement to carry out payments promptly while still giving fraud warnings, or making further enquiries, prior to making the payment.

And, I am satisfied that, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Revolut should in May 2023 to July 2023 (when the scam payments took place) fairly and reasonably have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances (irrespective of whether it was also required by the express terms of its contract to do so).

In reaching the view that Revolut should have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances, I am mindful that in practice all banks and EMI's like Revolut do in fact seek to take those steps, often by:

- using algorithms to identify transactions presenting an increased risk of fraud;<sup>2</sup>
- requiring consumers to provide additional information about the purpose of transactions during the payment authorisation process;
- using the confirmation of payee system for authorised push payments; and
- providing increasingly tailored and specific automated warnings, or in some circumstances human intervention, when an increased risk of fraud is identified.

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<sup>1</sup> The Payment Services Regulation 2017 Reg. 86 states that "the payer's payment service provider must ensure that the amount of the payment transaction is credited to the payee's payment service provider's account **by the end of the business day following the time of receipt of the payment order**" (emphasis added).

<sup>2</sup> For example, Revolut's website explains it launched an automated anti-fraud system in August 2018: <https://www.revolut.com/news/revolut-unveils-new-fleet-of-machine-learning-technology-that-has-seen-a-fourfold-reduction-in-card-fraud-and-had-offers-from-banks/>

In reaching my conclusions about what Revolut ought fairly and reasonably to have done, I am also mindful that:

- EMIs like Revolut are required to conduct their business with “due skill, care and diligence” (FCA Principle for Businesses 2), “integrity” (FCA Principle for Businesses 1) and a firm “must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems” (FCA Principle for Businesses 3)<sup>3</sup>.
- Over the years, the FCA, and its predecessor the FSA, have published a series of publications setting out non-exhaustive examples of good and poor practice found when reviewing measures taken by firms to counter financial crime, including various iterations of the *“Financial crime: a guide for firms”*.
- Regulated firms are required to comply with legal and regulatory anti-money laundering and countering the financing of terrorism requirements. Those requirements include maintaining proportionate and risk-sensitive policies and procedures to identify, assess and manage money laundering risk – for example through customer due-diligence measures and the ongoing monitoring of the business relationship (including through the scrutiny of transactions undertaken throughout the course of the relationship). I do not suggest that Revolut ought to have had concerns about money laundering or financing terrorism here, but I nevertheless consider these requirements to be relevant to the consideration of Revolut’s obligation to monitor its customer’s accounts and scrutinise transactions.
- The October 2017, BSI Code<sup>4</sup>, which a number of banks and trade associations were involved in the development of, recommended firms look to identify and help prevent transactions – particularly unusual or out of character transactions – that could involve fraud or be the result of a scam. Not all firms signed the BSI Code (and Revolut was not a signatory), but the standards and expectations it referred to represented a fair articulation of what was, in my opinion, already good industry practice in October 2017 particularly around fraud prevention, and it remains a starting point for what I consider to be the minimum standards of good industry practice now (regardless of the fact the BSI was withdrawn in 2022).
- Revolut should also have been aware of the increase in multi-stage fraud, particularly involving cryptocurrency when considering the scams that its customers might become victim to. Multi-stage fraud involves money passing through more than one account under the consumer’s control before being sent to a fraudster. Our service has seen a significant increase in this type of fraud over the past few years – particularly where the immediate destination of funds is a cryptocurrency wallet held in the consumer’s own name. And, increasingly, we have seen the use of an EMI (like Revolut) as an intermediate step between a high street bank account and cryptocurrency wallet.

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<sup>3</sup> Since 31 July 2023 under the FCA’s new Consumer Duty package of measures, banks and other regulated firms must act to deliver good outcomes for customers (Principle 12), but the circumstances of this complaint pre-date the Consumer Duty and so it does not apply.

<sup>4</sup> BSI: PAS 17271: 2017” Protecting customers from financial harm as result of fraud or financial abuse”

Overall, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in May 2023 to July 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does); and
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

*Should Revolut have recognised that Mr S was at risk of financial harm from fraud?*

I don't think the first scam payment (for £4,000) was so unusual that it reasonably ought to have given Revolut cause for concern. It was larger than Mr S's typical payments and it was being sent to a new payee, but I don't think it was so out of character that it demonstrated a fraud risk to Revolut.

The second scam payment was almost three weeks after the first scam payment. The amount was almost 50% less than the value of the first scam payment to L, and in between Mr S had been using his account as normal. So, I don't think a suspicious pattern had emerged and I wouldn't have reasonably expected Revolut to have been concerned by the second scam payment either.

As a result, I'm not persuaded Revolut can fairly and reasonably be held responsible for refunding the first two scam payments, totalling £6,500.

However, the third scam payment was for £11,000. Whilst it went to an existing payee, it was nearly three times the value of the previous highest payment. It took the total sent to L to £17,500 in a little over three weeks, which represented a significant change to Mr S's typical payment activity and a pattern consistent with fraud had begun to emerge to the extent that the third scam payment was suspicious.

I accept that consumers will make larger than usual payments from time to time and these payments may be for a genuine purpose. However, I think Revolut reasonably ought to have been concerned that Mr S was at risk of fraud and ought to have taken further action before approving the payment, to satisfy itself that the payment was being made for a legitimate reason.

What did Revolut do to warn Mr S?

The first scam payment went to a beneficiary that Mr S hadn't paid before. As a result, Revolut showed Mr S a scam warning, which said:

*"Review transfer*

*Do you know and trust this payee?*

*If you're unsure, don't pay them, as we may not be able to help you get your money back.*

*Remember, fraudsters can impersonate others, and we will never ask you to make a payment."*

At the time, Mr S had already made a small investment, which appeared to be making a good return. He'd been in regular contact with Tommy (the first scammer) and had been given no reason not to trust them. As a result, given the general nature of Revolut's warning, I don't think it would've resonated with Mr S at the time the payment was made or had an impact on his decision making.

For the reasons set out above, I don't think the first two scam payments demonstrated a fraud risk to Revolut at the time the payments were made. As a result, I think the scam warning Revolut showed Mr S when the first scam payment was made was a proportionate response to the risk demonstrated to Revolut at the time of the payment. So, I don't think Revolut needed to do anything more when the first two scam payments were made.

Revolut's confirmed that Mr S received no further warnings when he sent funds to his digital wallets with L or B.

What kind of warning should Revolut have provided for scam payment three?

Having thought carefully about the risk scam payment three presented, I think a proportionate response would be for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr S's account. I think it should've done this by, for example, directing Mr S to its in-app chat to discuss the payment further.

Whilst it's not for me to be prescriptive as to what questions Revolut ought to have asked Mr S when he made scam payment three, I'd expect Revolut to have asked open questions to understand the purpose of the payment Mr S was making, to identify if there was anything suspicious about the circumstances and provide detailed scam warnings, including the key features of scams, relevant to the payment purpose given by Mr S.

If Revolut had provided a warning of the type described, would that have prevented the losses Mr S suffered from scam payment three onwards?

I can't say for certain what would've happened if Revolut had questioned Mr S about scam payment three – and that's because Revolut didn't ask any questions or give Mr S any scam warnings. However, I must consider whether the available evidence shows that it was more likely than not that Mr S would've acted differently if Revolut had questioned him about scam payment three.

When Mr S took out a loan with H to fund subsequent scam payments, it's more likely than not that he wasn't accurate with H about the purpose of the loan, as he was using the funds for a cryptocurrency investment, which H is unlikely to have approved if it knew the real purpose Mr S was borrowing the funds for. So, it's possible that if Revolut had questioned him about scam payment three, Mr S might not have given accurate answers.

However, I'm not persuaded that's most likely in the circumstances. At the time Mr S made scam payment three, he wasn't having any doubts that the scam investment was legitimate. He'd made three deposits already, which appeared to have made good returns, leading to two successful withdrawals. He was regularly communicating with Tommy and thought he was dealing with a company that had been advertised in a national newspaper. There's nothing within the correspondence with Tommy suggesting that Mr S had been asked to provide inaccurate information or not to disclose information about Tommy or Company C if questioned. As a result, I've seen little evidence to suggest that Mr S wouldn't have answered accurately if questioned about what he was doing.

If Revolut had questioned Mr S about why he was making the payment, it's more likely than not that Mr S would've revealed that he was paying his own digital wallet with a cryptocurrency exchange for the purpose of making an investment. In those circumstances, I'd have expected Revolut to have provided scam warnings, setting out the common features of investment scams involving cryptocurrency.

Mr S was sending money to L – a cryptocurrency exchange – for the purpose of investing. He'd been communicating with the scammer via instant messaging and hadn't received a contract setting out the terms of his investment. The returns he thought he was making had started small and then significantly increased as he began increasing his investment capital. He'd been accessing a fake trading platform, which the scammer was assisting him with through remote access software. It would appear that the firm Mr S thought he was dealing with (which was authorised and regulated by the FCA) had been cloned and the FCA had published a warning on its website about the company Mr S was most likely dealing with at the time. These are all common hallmarks of an investment scam.

Had Revolut pointed out the common features of an investment scam, I'm persuaded Mr S – more likely than not – would've had enough doubt about what he was doing, that he would've carried out further checks as to whether the investment was genuine or not. He would've likely checked if he held an account with the FCA regulated firm of the same name and discovered he didn't. He would've easily been able to identify that the genuine firm he thought he was dealing with didn't act as a broker, didn't trade on behalf of customers and didn't offer cryptocurrency trading – services he thought he was receiving from Company C. I also think he would've most likely found the FCA's warning about Company C.

Had this happened, I think Mr S would've realised he was falling victim to a scam and more likely than not stopped investing with Tommy at that time. That would've most likely prevented him from going ahead with scam payment three or the subsequent scam payments to Company C.

The only funds Mr S deposited with Revolut (for the purpose of either scam) was a £19,000 payment from Mr S's bank account with H. This wasn't the first time Mr S had sent funds from H to Revolut. As the payment wasn't going to a new beneficiary, H didn't show Mr S any warnings about the payment. So, I've been provided with very little evidence to suggest Mr S wouldn't have been receptive to a cryptocurrency investment scam warning when he made scam payment three.



I think proportionate warnings and scam education would've likely prompted Mr S to act more cautiously when the second scammer – Sammy – contacted him. As there was a similar FCA warning about Company I, I don't think Mr S would've gone on to invest in the second scam and lost the funds he invested via B.

*Is it fair and reasonable for Revolut to be held responsible for Mr S's loss?*

In reaching my decision about what is fair and reasonable, I've taken into account that most of the funds Mr S lost from 23 June 2023 onwards didn't originate from his Revolut account. Mr S received two loans from family members, totalling £47,500, with those funds being paid into his Revolut account directly from third parties. He also took out a £19,000 personal loan, which he moved into his Revolut account from an account he held with H.

I've also taken into account Mr S sent funds to his own digital wallets with two cryptocurrency exchanges and then sent the cryptocurrency to the scammers, rather than making the payments directly to the fraudsters from his Revolut account. It's not in dispute that Mr S retained control of his funds, even after they left his Revolut account. So, the points of loss occurred on the cryptocurrency exchanges.

But as I've set out above, I think that Revolut still should have recognised that Mr S might have been at risk of financial harm from fraud when he made the third scam payment (for £11,000 on 23 June 2023), and in those circumstances Revolut should have made further enquiries about the payment before processing it. If it had done that, I'm satisfied it would have prevented the losses Mr S went on to suffer.

The fact that the money used to fund the scam came from elsewhere and wasn't lost at the point it was transferred to Mr S's own digital wallets doesn't alter that fact and I think Revolut can fairly be held responsible for Mr S's loss in such circumstances. I don't think there is any point of law or principle that says that a complaint should only be considered against either the firm that is the origin of the funds or the point of loss.

I've also considered that Mr S has only complained against Revolut. I accept that it's *possible* that other firms might also have missed the opportunity to intervene or failed to act fairly and reasonably in some other way, and Mr S could instead, or in addition, have sought to complain against those firms. But Mr S hasn't chosen to do that and ultimately, I can't compel him to. In those circumstances, I can only make an award against Revolut.

I'm also not persuaded it would be fair to reduce Mr S's compensation in circumstances where: the consumer has only complained about one respondent from which they are entitled to recover their losses in full; has not complained against the other firm (and so is unlikely to recover any amounts apportioned to that firm); and where it is appropriate to hold a business such as Revolut responsible (that could have prevented the loss and is responsible for failing to do so). That isn't, to my mind, wrong in law or irrational but reflects the facts of the case and my view of the fair and reasonable position.

Ultimately, I must consider the complaint that has been referred to me (not those which haven't been or couldn't be referred to me) and for the reasons I've set out above, I'm satisfied that it would be fair to hold Revolut responsible for Mr S's loss from the third scam payment (£11,000 on 23 June 2023) onwards – subject to a deduction for Mr S's own contribution which I will consider below.

### **Should Mr S bear any responsibility for his losses?**

In considering this point, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.

I accept that when Mr S made the third scam payment, he believed he had made a profit on his earlier investment and that he had been able to successfully withdraw some funds. I'm also mindful that he says he saw the investment opportunity being advertised in a national newspaper. So, I can understand why Mr S thought these were legitimate investment opportunities.

However, whilst Mr S says he was an inexperienced investor, I think he reasonably ought to have expected to have received a contract, along with the terms and conditions, for his investments. Receiving such documents is something a legitimate investment firm would provide before entering into a customer relationship with an investor.

Furthermore, the correspondence Mr S had with both scammers was via instant messaging. This isn't a method of communication you'd reasonably expect of a genuine investment firm.

At the time Mr S invested with Company C and Company I, there were FCA warnings about both companies, suggesting Mr S didn't undertake the level of research into either investment I'd reasonably expect or that he claims to have done. Had he researched these firms, I think it's likely he would've discovered the warnings.

At the time Revolut reasonably ought to have intervened and questioned Mr S about scam payment three, the returns Tommy told him he was making had become too good to be true. Furthermore, the investment with Sammy to purchase cryptocurrency at a significantly reduced price to then immediately sell for a substantial profit was implausible and ought to have resulted in Mr S questioning the legitimacy of what he was doing.

As a result, I agree with our Investigator that Mr S was contributorily negligent here. I'm also in agreement that he should share some responsibility for the loss he's incurred. In the circumstances, taking into consideration the actions of both Revolut and Mr S, I think responsibility for Mr S's loss from the third scam payment onwards should be shared equally.

### **Recovery of funds**

The scam payments Mr S made went to his own digital wallets with two cryptocurrency exchanges and he's said he converted the funds into cryptocurrency and sent this to the scammer. As a result, I'm satisfied that there were no funds remaining with the beneficiaries of Mr S's funds that Revolut could've recovered.

The second scam involved debit card payments to B, and I note that Revolut raised chargebacks regarding these. Although there's been no suggestion that Mr S didn't receive the cryptocurrency he purchased from B, three of the chargebacks Revolut raised with B were successful and Mr S received a refund of those payments (and the charges relating to the transactions), totalling £7,277.93. As he received the cryptocurrency, I don't think Revolut had a reasonable prospect of success in pursuing the defended chargebacks and so I can't say Revolut was at fault for not taking those chargeback claims further.

## **Putting things right**

I'm not recommending that Revolut needs to reimburse the first two scam payments, totalling £6,500. However, I think the loss from scam payment three onwards could've been prevented and so Revolut should fairly and reasonably:

- refund £15,240.46 (50% of the faster payments made to L made on or after 23 June 2023, less the returns of £6,019.08 he received after that date);
- refund £7,400 (50% of the debit card payments to B which haven't already been refunded); and
- pay 8% simple interest per year on the partial refund of scam payments to B, from the date of each payment until the date of settlement. Mr S hasn't repaid the loans he received from his family members and so hasn't been deprived of the use of those funds and so interest isn't applicable on the partially refundable scam payments funded by those loans.

## **My final decision**

To resolve the complaint, I think Revolut should pay £22,640.46 (as calculated above), plus 8% simple interest per year on each partially refundable payment to B, from the date of payment until the date of settlement. For the reasons explained above, I'm upholding this complaint in part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 June 2025.

Liam Davies  
**Ombudsman**